

**PUBLIC UTILITIES COMMISSION**

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TO PARTIES OF RECORD IN APPLICATION 12-08-007 ET AL.

This is the proposed decision of Administrative Law Judge Roscow. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's August 27, 2015 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ RICHARD SMITH for

Karen V. Clopton, Chief
Administrative Law Judge

KVC:ek4

Attachment

Decision **PROPOSED DECISION OF ALJ ROSCOW** (Mailed 7/28/2015)**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric
Company for Approval of 2013-2014
Statewide Marketing, Education and
Outreach Program and Budget. (U39M).

Application 12-08-007
(Filed August 2, 2012)

And Related Matters.

Application 12-08-008
Application 12-08-009
Application 12-08-010

**DECISION ON BRIDGE FUNDING FOR POST-2015 STATEWIDE
MARKETING, EDUCATION, AND OUTREACH ACTIVITIES**

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**DECISION ON BRIDGE FUNDING FOR POST-2015 STATEWIDE
MARKETING, EDUCATION, AND OUTREACH ACTIVITIES****Summary**

This decision authorizes 2016 bridge funding to enable the Center for Sustainable Energy to continue to implement the Statewide Marketing and Outreach Plan authorized in Decision 13-12-038, in the same manner and under the same governance structure as authorized in that decision.

This proceeding remains open to consider Phase 1 issues.

1. Background and Procedural History

In Decision (D.) 13-12-038, the Commission adopted a statewide marketing, education, and outreach (ME&O) plan for residential and small business energy management, to extend through the end of 2015. The Commission directed the Center for Sustainable Energy (CSE) to implement the ME&O plan that it had submitted in the proceeding, with certain modifications, and determined budget allocations for the 2014-2015 implementation period. The Commission anticipated that the scope for the post-2015 statewide ME&O program would be decided in an upcoming energy efficiency rulemaking.

The issue of post-2015 statewide ME&O is now included in the scope of Rulemaking (R.) 14-10-003, the Commission's "Order Instituting Rulemaking to Create a Consistent Regulatory Framework for the Guidance, Planning, and Evaluation of Integrated Demand-Side Resource Programs." However, that Rulemaking is in the early stages of record development, and the current schedule does not yet include a date for an expected decision by the Commission. Practically speaking, the questions of what statewide ME&O activities will take place post-2015, how they will be implemented, and how they

will be funded, must all be addressed by the Commission in some other proceeding before the end of 2015.

The March 6, 2015 Scoping Memo and Ruling of the assigned Commissioner and Administrative Law Judge (ALJ) (March 6 Scoping Memo) in the instant proceeding determined that the scope of Phase 2 of this proceeding shall include the post-2015 implementation and funding of the statewide marketing, education, and outreach plan adopted by the Commission in Decision (D.) 13-12-038. Specifically, this proceeding will consider “bridge funding” and related activities for statewide marketing, education and outreach in 2016, including what activities will take place, by whom they will be implemented, how they will be funded and for what duration.¹

The March 6 Scoping Memo invited CSE to provide preliminary information, to be commented upon by parties in Prehearing Conference (PHC) Statements, regarding the possibility of providing bridge funding for continuation of the statewide marketing, education and outreach activities currently administered by CSE. Specifically, CSE and other parties were encouraged to file and serve PHC statements providing responses to the following questions:

1. Should the Commission direct CSE to continue to be responsible for implementing the currently-effective statewide marketing, education, and outreach plan throughout 2016 or until a decision on statewide ME&O is adopted in R.14-10-003, whichever comes later? Why or why not?

¹ Phase 1 of this proceeding is considering possible funding sources and program administrators for the Flex Alert program beginning in 2016. Those issues will be addressed by the Commission in a separate Decision.

2. Should the Commission provide additional interim funding for implementation of statewide marketing, education, and outreach, set at the level adopted by the Commission in D.13-12-038? Why or why not? Should the Commission leave in place the current oversight and approval process for statewide marketing, education and outreach activities as adopted in D.13-12-038? Why or why not?
3. Please provide a proposed procedural schedule for development of the record, and any necessary subsequent procedural steps, that will allow for a Commission decision by September 2015 on what statewide ME&O activities will take place post-2015, how they will be implemented, and how they will be funded.

CSE filed its comments on March 20, 2015. PHC statements were filed on April 6, 2015, by San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (Joint Utilities), Southern California Edison Company (SCE), Pacific Gas & Electric Company (PG&E), Latino Business Chamber of Greater Los Angeles and the National Asian American Coalition (jointly, hereinafter "Joint Parties"), The Greenlining Institute (Greenlining), The Utility Reform Network (TURN), The San Francisco Bay Area Regional Energy Network (BayREN), and Marin Clean Energy (MCE). The PHC took place April 16, 2015.

The April 22, 2015 Amended Scoping Memo and Ruling of assigned Commissioner Peterman determined that based on the responses provided in parties' PHC statements and further discussion at the PHC, no further record development is necessary to support a Commission decision on whether or not to grant one year of additional bridge funding to CSE, at the currently-approved average annual funding level. The schedule in this proceeding was modified to

direct the assigned ALJ to proceed directly to drafting a proposed decision by July 27, 2015 based on the existing record.

2. The Center for Sustainable Energy's Proposal

In its March 20, 2015 Comments, CSE recommends that the Commission direct CSE to continue to be responsible for implementing the statewide ME&O program authorized by D.13-12-038 throughout 2016 or until a decision on statewide ME&O is adopted in R.14-10-003, whichever comes later. CSE recommends that the Commission leave in place the current funding level, as well as the oversight and approval process for statewide ME&O activities as adopted in D.13-12-038.

3. Positions of the Parties

Parties' responses to each of the substantive questions posed in the March 6 Scoping Memo are summarized below.

3.1. Should the Commission direct the CSE to continue to be responsible for implementing the currently-effective statewide ME&O plan throughout 2016 or until a decision on statewide ME&O is adopted in R.14-10-003, whichever comes later?

In its March 20, 2015 Comments, CSE states that an extension of at least 12 months is necessary in order to maintain the health of the State's new brand, maintain continuity of statewide ME&O campaigns, and preserve our gains in increasing engagement with the Energy Upgrade California tools and channels, including online education tools, social media, community-based organizations, mobile education and outreach, retail and experiential events. CSE states that it will not be able to secure contracts with marketing and communications agencies if it cannot offer a contract term of at least 12 months. Indeed, CSE also "strongly

supports an extension that lasts the longer of 12 months (through 2016) or until a decision on statewide ME&O is adopted in R.14-10-003” because if a new decision on statewide ME&O is not adopted by the end of 2016, then CSE would be confronted with another gap between implementation periods at that time, raising issues similar to those being considered in this bridge decision.²

The Joint Utilities believe it is reasonable for the Commission to authorize the temporary extension of current statewide ME&O implementation through the end of 2016 at the latest, in order to avoid disruptions to the statewide ME&O activities. However, the Joint Utilities do not support an extension to CSE beyond 2016 as requested, without the benefit of a thorough review of the current program and its implementation.

SCE recommends that the Commission direct the investor-owned utilities to contract with CSE to continue to implement statewide ME&O in 2016, with a solicitation process for post-2016 activities in R.14-10-003.

PG&E supports the continuation of the statewide campaign ME&O during 2016 with CSE if CSE provides additional information with a more detailed plan for 2016 plans to justify authorization of \$21.4 million in rate payer funds. For the period beginning 2017 and beyond, continuation should be determined based on analysis of campaign performance during 2014 and 2015 in an appropriate proceeding.

The Joint Parties support an interim solution whereby the Commission directs CSE to continue to be responsible for implementing the Commission’s current statewide ME&O plan.

² CSE Comments at 5.

TURN supports the Commission directing CSE to continue to be responsible for statewide ME&O throughout 2016 or until a decision on statewide ME&O is adopted in R.14-10-003, whichever comes later. TURN recommends that CSE's statewide ME&O efforts should be fully evaluated in the context of R.14-10-003 before a determination on the future of the program beyond year-end 2016 is made.

Greenlining supports CSE's recommendation that the Commission continue to fund the statewide ME&O program at the current funding level throughout 2016 or until a decision on statewide ME&O is adopted in R.14-10-003, whichever comes later. Greenlining suggests that this is necessary "in order to avoid significant disruption to the newly created brand, ME&O campaigns and events, and to maintain existing relationships between CSE, the utilities, local workforce, community organizations, and small businesses." Greenlining notes that shorter bridge periods increase the likelihood of multiple bridge periods and attendant filings, and restrict operating flexibility.³

MCE believes it is prudent to provide CSE with clear authority and consistent funding to continue administering the Energy Upgrade California campaign post-2015 throughout 2016 or until a decision on statewide ME&O is adopted in R.14-10-003, whichever comes later.

³ Greenlining Comments at 2.

3.2. Should the Commission provide additional interim funding for implementation of statewide ME&O set at the level adopted by the Commission in D.13-12-038?

In its March 20, 2015 Comments, CSE requests interim funding at the level set by the Commission in D.13-12-038: “for example, if this implementation period continues for an additional 12 months after year-end 2015, then the budget for this extension period would be 50% of the budget authorized in D.13-12-038 for the two-year period of 2014-2015.”⁴ CSE also provides a summary of the current annual budget, as adjusted, reallocated and approved by Energy Division on October 31, 2014, pursuant to procedures established in D.13-12-038.⁵ According to CSE, this funding level is consistent with past decisions, as well as necessary to maintain the health of the State’s new Energy Upgrade California brand, maintain continuity of statewide ME&O campaigns, and preserve recent gains in increasing ratepayer and stakeholder engagement with the Energy Upgrade California tools and channels.

The Joint Utilities support CSE’s interim funding request to avoid a gap between the point when current statewide ME&O activities are scheduled to end in 2015 and the continuation of those activities in some capacity in 2016. However, the Joint Utilities do not believe CSE Comments provides a sufficient basis for their requested funding levels for 2016. Once the Commission determines the appropriate 2016 funding level, the Joint Utilities propose to utilize the funding mechanism adopted in D.13-12-038 as the source of funding,

⁴ CSE Comments at 9.

⁵ CSE Comments at 10.

including any available unspent pre-2016 statewide ME&O funds for continued statewide ME&O activities in 2016. Thus, the Joint Utilities recommend that the Commission should also approve the specific funding allocations to be collected by each utility.

SCE recommends that the Commission require CSE to provide a detailed submittal of its proposed activities and funding requirements for 2016.

PG&E states that CSE should provide additional information with a more detailed plan for 2016 in order to justify authorization of another year of ratepayer funding.

The Joint Parties support additional Commission funding for either 2016 or when a decision on statewide ME&O is adopted in R.14-10-003.

TURN supports CSE request for interim funding at the level set by the Commission in D.13-12-038: 50% of the originally authorized budget.⁶

The BayREN does not oppose CSE's request for bridge funding as long as the amount is at an annualized rate and that the budget is limited to a twelve month extension period. BayREN states that continued funding should not be provided until the results of an Evaluation, Measurement & Verification (EM&V) research study anticipated in 2015 have been released and evaluation of effectiveness concluded.

⁶ TURN Comments at 3.

3.3. Should the Commission leave in place the current oversight and approval process for statewide ME&O activities as adopted in D.13-12-038?

In its March 20, 2015 Comments, CSE recommends continuing the current statewide ME&O governance structure; CSE states that this structure was tailored to support the division of responsibilities set forth in D.13-12-038. According to CSE, coordination between CSE and the Commission has improved over time. CSE and the Commission staff have developed and implemented effective procedures and scheduled regular meetings and calls to increase efficiency and share information. Coordination of local, regional, and statewide marketing efforts, messaging, and tactics among CSE, the utilities and the RENs has also continued to improve.⁷

The Joint Utilities do not recommend changing the current oversight and approval process (i.e., the governance structure) for statewide ME&O during the bridge year, but believe that it should be taken up in tandem with the evaluation of the continued statewide ME&O program administration and/or open solicitation for contracting with a program implementer for program years 2017 and beyond.⁸

SCE recommends that the Commission modify the existing oversight structure, such that modifications are made to the EM&V Project Coordination Group (PCG) process “to engage additional expertise and optimize the technical value of the evaluations which is a core purpose of the PCGs. In particular, SCE recommends that the Commission appoint an independent EM&V consultant to

⁷ CSE Comments at 12.

⁸ Joint Utilities Comments at 7.

support the ongoing development of the roadmap and monitoring of the studies.”⁹

TURN recommends continuing the current statewide ME&O governance structure set forth in D.13-12-038: “this governance structure provides for an appropriate level of Commission oversight and stakeholder involvement.”¹⁰

Greenlining supports leaving the current oversight and approval process in place during the bridge period. Greenlining states that while it believes that progress has been made, “CSE still has much work to do to fully reach the Commission’s stated goals for statewide ME&O and reach all California communities.” Greenlining is working with CSE and the utilities in order to identify and address barriers to achieving the goals for the program by providing input on: 1) coordination of local and statewide efforts to address the needs of communities of color; 2) strategies to educate hard to reach communities; and 3) how to properly direct customers of all income levels to the appropriate energy programs and opportunities. According to Greenlining, it is premature to decide whether there are barriers that exist due to the governing structure of the program, and Greenlining is committed to continued engagement with CSE, the utilities, and Commission staff to ensure the success of the statewide ME&O program.¹¹

4. Discussion

The thorough comments filed by parties and the robust discussion of those comments at the April 16, 2015 PHC in this proceeding provide a sufficient

⁹ SCE Comments at 14.

¹⁰ TURN Comments at 3.

¹¹ Greenlining Comments at 3-4.

record for the Commission's decision on post-2015 bridge funding and activities for statewide marketing, education and outreach, including what activities will take place, by whom they will be implemented, how they will be funded and for what duration.

Based on the record before us, we conclude that CSE should continue the activities that the Commission authorized it to conduct in D.13-12-038: implement the Statewide Marketing and Outreach Plan authorized in that decision, in the same manner and under the same governance structure as authorized in that decision. CSE should continue in its current role, at the current annual funding level, through the end of 2016.

First, we conclude that CSE should continue to be responsible for implementing our currently-in-effect statewide ME&O plan. After considering comments of the parties, we also conclude that CSE should remain in this role for a period defined as the later of the end of 2016 or until a decision in R.14-10-003 or another Commission proceeding addresses the future of statewide ME&O.

If a decision in R.14-10-003 or another Commission proceeding is not reached by May 1, 2016, CSE should file a Tier 2 Advice Letter by June 1, 2016 requesting an additional 6 months of funding for January through June, 2017. The Advice Letter should include updated metrics for the program for the next 12 months (January 1, 2017 to December 31, 2017). This process should continue for every 6-month period until the Commission adopts a decision addressing the future of statewide marketing, education and outreach. Approval of these interim funding Advice Letters will be contingent on CSE meeting the targets specified in D.13-12-038, in CSE's Advice Letter 49-A, and in any follow up interim advice letters.

We expect more clarity on the schedule for considering ME&O issues in R.14-10-003 in the coming months.

Second, we conclude that the Commission should provide additional interim funding for implementation of statewide ME&O at the same level adopted by the Commission in D.13-12-038.¹² No party made convincing arguments otherwise, and our review of the record indicates that CSE is meeting its commitments and managing our adopted budget responsibly.

We authorize a 12-month budget totaling \$23,675,034. This is one-half the 2014-2015 budget provided to the Commission by PG&E, SCE, SDG&E, SoCalGas and CSE in compliance with Ordering Paragraph 16 of D.13-12-038.¹³ The utility-specific budgets authorized in this decision are shown below:

	SW ME&O Authorized in D.13-12-038	Annualized Budget beginning in 2016
PG&E	\$22,000,000	\$11,000,000
SCE	\$15,400,000	\$7,700,000
SDG&E	\$5,946,000	\$2,973,000
SoCalGas	\$4,004,067	\$2,002,034
Total	\$47,350,067	\$23,675,034

¹² See D.13-12-038, Ordering Paragraphs 5, 7, 10, and 10 for PG&E, SCE, SDG&E, and SoCalGas, respectively.

¹³ See January 10, 2014 letter from PG&E to Edward Randolph, Director of the Commission's Energy Division, Attachment 1, "SW ME&O Budget True Up", Table titled "2014-2015 SW ME&O Budget", column labeled "Authorized ME&O in D.13-12-038".

As we noted above, Joint Utilities propose continued utilization of the funding mechanism adopted in D.13-12-038 as the source of funding, adjusted for any available unspent pre-2016 statewide ME&O funds. We agree that the budgets we authorize above should be adjusted (i.e., reduced) to reflect any available unspent pre-2016 statewide ME&O funds so that the utility revenue requirements are also reduced. Following the same procedure we adopted in D.13-12-038, the utilities should work with CSE and provide updated budget information, as described in this Decision, in a letter to the Commission's Energy Division within 21 days of the issuance of this decision.

Third, we conclude that the current oversight and approval process for statewide ME&O activities, as adopted in D.13-12-038, should be left in place. Again, no party made convincing arguments otherwise, and our review of the record indicates that CSE takes seriously both its role as implementer of the program we adopted in D.13-12-038, and its responsibility to honor the stakeholder process we adopted in that decision. However, we add two requirements below that we expect will further enhance our oversight.

As one requirement, reflecting discussions at the PHC, we direct CSE to develop a 15 month Integrated Communications Plan based on the process that has already been set in motion by Commission staff.¹⁴ Following the procedures we adopted in D.13-12-038, Commission staff has solicited input from the stakeholders in this proceeding to arrive at a consensus regarding which energy management topics should be prioritized with respect to spending on marketing. The 15 month Plan should cover the period October 1, 2015 to December 31,

¹⁴ RT at 76-78, 81-83, 85.

2016. Commission staff is directed to revisit the Plan at the halfway point in March 2016 as part of the quarterly stakeholder meeting process we adopted in D.13-12-038, in order to assess whether any changes are necessary in the Plan for the second half of the period.

As a second requirement, we note that the results of the ME&O evaluation of statewide, utility and REN marketing activities that is now underway for CSE, the IOUs, and the RENs will be completed by the end of 2015. We expect the interim results of this evaluation that become available in the meantime to inform the 15-month Integrated Communications Plan we require above. This would be consistent with our direction in D.13-12-038.¹⁵

5. Comments on Proposed Decision

The proposed decision of the ALJ in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____ by _____, and reply comments were filed on _____ by _____.

6. Assignment of Proceeding

Carla J. Peterman is the assigned Commissioner and Stephen C. Roscow is the assigned ALJ in this proceeding.

Findings of Fact

1. In D.13-12-038, the Commission adopted a statewide ME&O plan for residential and small business energy management, to extend through the end of 2015.

¹⁵ D.13-12-038 at 72.

2. In D.13-12-038, the Commission directed the CSE to implement the ME&O plan that it submitted in the proceeding, with certain modifications, and determined budget allocations for the 2014-2015 implementation period.

3. In D.13-12-038, the Commission approved a two-year budget for the statewide ME&O plan for 2014-2015 of \$42,785,231.

4. In D.13-12-038, the Commission anticipated that the scope for the post-2015 statewide ME&O program would be decided in an upcoming energy efficiency rulemaking.

5. The issue of statewide ME&O is now included in the scope of R.14-10-003, the Commission's "Order Instituting Rulemaking to Create a Consistent Regulatory Framework for the Guidance, Planning, and Evaluation of Integrated Demand-Side Resource Programs" but the schedule of that Rulemaking indicates that the questions of what statewide ME&O activities will take place post-2015, how they will be implemented, and how they will be funded, must all be addressed by the Commission in some other proceeding before the end of 2015.

6. CSE is responsibly meeting its commitments and managing its previously-adopted budget.

7. There is no evidence that the current funding level for statewide ME&O activities that was adopted in D.13-12-038 should be discontinued or changed in 2016.

8. There is no evidence that the Commission should not leave in place the oversight and approval process for statewide ME&O activities that the Commission adopted in D.13-12-038.

Conclusions of Law

1. The Commission should address questions regarding what statewide ME&O activities will take place post-2015, how they will be implemented, and how they will be funded in this proceeding.

2. The Commission should direct the Center for Sustainable Energy to continue to be responsible for implementing the currently-in-effect statewide ME&O plan, either through the end of 2016 or until a decision in R.14-10-003 addresses the future of statewide ME&O, whichever comes later.

3. The Commission should provide interim funding for implementation of statewide ME&O beginning in 2016, set at the annualized level adopted by the Commission in D.13-12-038.

4. If the Commission does not make a decision in R.14-10-003 or another proceeding regarding the post-2016 statewide ME&O program before May 1, 2016, CSE should file a Tier 2 Advice Letter by June 1, 2016, requesting an additional 6 months of funding for January through June, 2017, with updated metrics and targets. Approval of the Advice Letter should be contingent on CSE meeting the targets specified in D.13-12-038, in CSE's Advice Letter 49-A, and in any follow up interim advice letters. This process should continue for every 6-month period until the Commission adopts a decision addressing the future of statewide marketing, education and outreach..

5. For PG&E, total funding and direct expenses of \$11,000,000 should be authorized for 2016, but adjusted to include any available unspent pre-2016 statewide ME&O funds.

6. For PG&E, the cost recovery proposals authorized in D.13-12-038 should remain in effect.

7. For SCE, a budget of \$7,700,000 per year in energy efficiency statewide ME&O activities should be authorized for 2016, but adjusted to include any available unspent pre-2016 statewide ME&O funds.

8. For SCE, the authorization in D.13-12-038 to include authorized statewide ME&O funding in its Public Purpose Programs Adjustment Mechanism so that is collected in 2016 through Public Purpose Programs Charge rates should remain in effect.

9. The recorded operation of SCE's proposed Statewide ME&O Balancing Account should continue to be reviewed and verified by the Commission in SCE's annual Energy Resource Recovery Account Review application to ensure that the costs recorded are stated correctly and are consistent with a final decision issued in this proceeding.

10. For SDG&E, funding in the amount of \$2,973,000 to support SDG&E's portion of the statewide ME&O program activities should be authorized for 2016, but adjusted to include any available unspent pre-2016 statewide ME&O funds.

11. For SDG&E, the cost recovery mechanism authorized in D.13-12-038 should remain in effect.

12. For SoCalGas, funding to support its portion of the statewide ME&O program activities in the amount of \$2,002,035 should be authorized for 2016, but adjusted to include any available unspent pre-2016 statewide ME&O funds.

13. For SoCalGas, its authorization in D.13-12-038 to recover the costs of the statewide ME&O Program from the Gas Public Purpose Program Surcharge tariff should remain in effect.

14. The utilities and CSE should provide updated budget information, as described in this Decision, in a letter to the Commission's Energy Division within 21 days of the issuance of this decision.

15. CSE should allocate the 2016 statewide ME&O budget according to current allocation percentages, among the existing categories of Marketing, Education, Outreach, Research, EM&V, CSE administrative expenses, and investor-owned utilities administrative expenses.

16. The Commission should leave in place the current oversight and approval process for statewide marketing, education and outreach activities as adopted in D.13-12-038.

17. CSE should continue to serve as the statewide ME&O program implementer, as described in D.13-12-038, under a contract entered into with PG&E within 30 days of the date of this decision.

18. PG&E should continue to serve as the fiscal manager for the contract with CSE.

19. In its role as the fiscal manager for the contract with CSE, PG&E should not have control over CSE's design of or modifications to the statewide ME&O program.

20. CSE should continue to be independently responsible to the Commission for delivering the results of the statewide ME&O program.

O R D E R

IT IS ORDERED that:

1. For the post-2015 statewide marketing, education, and outreach campaign, Pacific Gas and Electric Company, on behalf of itself, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company, shall amend its current contract with the Center for Sustainable Energy (CSE) no later than January 1, 2016, so that CSE may continue to implement the program established in Decision 13-12-038 in 2016.

2. The Center for Sustainable Energy shall continue to be responsible for implementing the currently-in-effect statewide marketing, education, and outreach (ME&O) plan, either through the end of 2016 or until a decision in Rulemaking 14-10-003 addresses the future of statewide ME&O, whichever comes later.

3. Pacific Gas and Electric Company shall serve as the fiscal manager for the contract with Center for Sustainable Energy without exercising control over design of or modifications to the statewide Marketing, Education, and Outreach program. Those approvals are the purview of the Commission and the California Energy Commission.

4. Total funding of \$11,000,000 for statewide Marketing, Education, and Outreach (ME&O) in 2016 is authorized for Pacific Gas and Electric Company (PG&E). PG&E shall reduce this amount to account for any available unspent pre-2016 statewide ME&O funds.

5. Total funding of \$7,700,000 in energy efficiency statewide marketing, education, and outreach (ME&O) activities in 2016 is authorized for Southern California Edison Company (SCE). SCE shall reduce this amount to account for any available unspent pre-2016 statewide ME&O funds.

6. Southern California Edison Company shall include the authorized Statewide Marketing, Education, and Outreach 2016 funding in the Public Purpose Programs Adjustment Mechanism to be collected through Public Purpose Programs Charge rate levels.

7. Southern California Edison Company shall submit for review and verification the recorded operation of its Statewide Marketing, Education, and Outreach Balancing Account in its annual Energy Resource Recovery Account

Review application to ensure that the costs recorded are stated correctly and are consistent with this decision.

8. Total funding of \$2,973,000 for Energy Efficiency statewide Marketing, Education, and Outreach (ME&O) in 2016 is authorized for San Diego Gas & Electric Company (SDG&E). SDG&E shall reduce this amount to account for any available unspent pre-2016 statewide ME&O funds.

9. Total funding of \$2,002,035 for Energy Efficiency statewide Marketing, Education, and Outreach (ME&O) in 2016 is authorized for Southern California Gas Company (SoCalGas). SoCalGas shall reduce this amount to account for any available unspent pre-2016 statewide ME&O funds.

10. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, Southern California Gas Company, and the Center for Sustainable Energy shall provide updated budget information, adjusted to account for any available unspent pre-2016 statewide Marketing, Education, and Outreach funds as described in this decision, in a letter to the Commission's Energy Division within 21 days of the issuance of this decision.

11. If the Commission does not make a decision in Rulemaking 14-10-003 or another proceeding regarding the post-2016 statewide Marketing, Education, and Outreach program before May 1, 2016, the Center for Sustainable Energy (CSE) shall file a Tier 2 Advice Letter by June 1, 2016, requesting an additional 6 months of funding for January through June, 2017. The Advice Letter shall include updated metrics and targets. Approval of the Advice Letter shall be contingent on CSE meeting the targets specified in Decision 13-12-038, in CSE's Advice Letter 49-A, and in any follow up interim advice letters.

12. Application (A.) 12-08-007, A.12-08-008, A.12-08-009, and A.12-08-010 remain open.

This order is effective today.

Dated _____, at San Francisco, California.